

1 A. I thought it was from Miguel.

2 Q. There's one from Miguel as well. I was
3 going to get to that. If you look at the third
4 page, on Friday, January 5th at 1:02.

5 A. Oh, yep.

6 Q. Okay. He talks about a series of body
7 blows for XRP, XRP haters attacking full force,
8 XRP price down 15 percent.

9 Do you see that?

10 A. Wait. Which line -- oh, it's just line
11 numbers. Sorry. What -- I don't see -- I saw
12 what I read, the "body blows" reference, but I'm
13 not seeing that now.

14 Q. It's like the middle of page 3. Ripple
15 is --

16 A. Oh, yes.

17 Q. Okay. All right. And then Ms. Long, on
18 the front page, says a number of things, but she
19 says "Gross misinformation and FUD spreads quickly
20 and hurts our business."

21 Do you see that?

22 A. Yes.

23 Q. A little bit further down, she says "We
24 have a two" -- "two-pronged strategy: Offense.
25 We need to drive the conversation - keep putting

1 points on the board, back up the XRP thesis with
2 real traction, keep educating on our strategy and
3 progress. We need to be omnipresent - either
4 Ripple or our supporters, armed and dangerous."
5 And then "Defense."

6 On the offense point, what steps, if
7 any, did Ripple take to go on the offense with
8 respect to the conversation about XRP after this
9 email?

10 A. I don't recall.

11 Q. You say that it "seems 100 percent on
12 target" to you, right?

13 A. That is my reply.

14 Q. Okay. Sitting here today, did Ripple
15 make itself omnipresent, either Ripple or with its
16 supporters in sort of the public?

17 A. I don't recall.

18 Q. Did Ripple make attempts to drive the
19 conversation about XRP in public?

20 A. I don't recall.

21 Q. You don't recall any efforts by Ripple
22 after January 2018 to drive the conversation about
23 XRP? Is that your testimony?

24 A. I mean, so, any -- sorry, could you
25 repeat that question?

1 Q. Do you recall any efforts by Ripple
2 after January 2018 to drive the conversation about
3 XRP?

4 A. Yes.

5 Q. What efforts?

6 A. I mean, you -- you included in that
7 question everything including last week or
8 yesterday. And so certainly it has always been
9 important to Ripple, important to me, that in a
10 world of crypto where many people spread false
11 information -- I highlighted the Amazon or Walmart
12 Litecoin example earlier -- we want to correct
13 misinformation about XRP. We want to correct
14 misinformation about Ripple. We want to clarify
15 what is XRP and what is Ripple.

16 So certainly since January of 2018, do I
17 think we've tried to drive the conversation? Yes.

18 I interpreted your question to be
19 contemporaneously with this in January of 2018,
20 did we take steps to drive the conversations? And
21 I don't recall three and a half years ago what we
22 may or may not have done.

23 Q. Okay. Let's look at Exhibit 68.

24 (Whereupon, exhibit is received
25 and marked Garlinghouse Deposition

1 Exhibit 68 for identification.)

2 (Pause)

3 THE WITNESS: Okay.

4 BY MR. TENREIRO:

5 Q. What is -- what is this document?

6 A. I believe these are notes to myself.

7 Q. It says "Thoughts for stand-up," the
8 subject does?

9 A. Yes, it does.

10 Q. What is "stand-up"?

11 A. At the beginning of COVID, because
12 everyone was working remotely, we added, I think,
13 two weekly meetings to the leadership team to kind
14 of check base for 15 minutes, I think on
15 Wednesdays and Fridays, that we called stand-up
16 meetings.

17 Q. Okay.

18 A. The idea is if you were the same person,
19 you'd stand up for 15 minutes, obviously via Zoom.

20 Q. On Zoom.

21 A. People may or may not have been standing
22 up.

23 Q. And did you continue to have, like, the
24 periodic all-hands via Zoom after COVID?

25 A. Yes.

1 Q. And were those quarterly? weekly? What
2 were they at that point?

3 A. All-hands were typically quarterly.

4 Q. Even after COVID I mean.

5 A. Yeah.

6 Q. Yeah.

7 Did you record those on Zoom?

8 A. I don't recall.

9 Q. And who would know?

10 A. Same answer as before.

11 Q. The IT team?

12 A. Or Comms.

13 Q. Okay. And in these notes you're talking
14 about "I feel in this trajectory you are going to
15 destroy a lot of value in XRP."

16 Do you see that?

17 A. No, sorry. Point me to that.

18 Q. Towards the bottom.

19 A. Yes, I see that.

20 Q. And that "you" in the sentence is you,
21 Mr. Garlinghouse? You're sort of talking to
22 yourself a little bit?

23 A. No.

24 MR. SOLOMON: Objection; form.

25 Q. Who's the "you"?

1 A. The "you" is me, but these are notes --
2 I mean, obviously, you know, this is just a -- a
3 random screen that I'd opened to take notes.

4 I believe, as I reference later on, [REDACTED]
5 [REDACTED] had called me and on occasion she is -- gives
6 counsel and is strongly opinioned -- or
7 opinionated in those -- she has strong opinions.

8 And so I think I'm taking notes from
9 that phone call that are interlaced with some
10 comments that I intend to make at stand-up.

11 Q. Okay. And did she have strong opinions
12 about, you know, the potential to destroy the
13 value of XRP in around March 2020?

14 A. I -- I --

15 MR. SOLOMON: Objection.

16 A. I don't actually recall precisely, but
17 from these notes, I have a vague recollection of
18 getting a call from [REDACTED] early in the age of COVID
19 that she was very concerned about the macro
20 economy and what was going on, broadly speaking.

21 Q. And here you talk about, a little
22 further up, "protecting the value of XRP by
23 reducing MGI sales."

24 Do you see that?

25 A. Yes.

1 Q. Is MGI MoneyGram?

2 A. Yes.

3 Q. Okay. And --

4 A. I believe so, yes.

5 Q. Okay. And there was a point in time
6 where there was a thing called XRP-O, is that
7 right?

8 A. Yep.

9 Q. Okay. And that was sales of XRP by
10 Ripple?

11 A. Yes.

12 Q. And there came to be a concern that the
13 sales of XRP could hurt the value of XRP?

14 MR. SOLOMON: Objection.

15 A. Yeah, it's confusing because that pre --
16 well, MoneyGram never used XRP-O or what we now
17 call Wallet Send. And I think March of 2020
18 predates the launch of XRP-O or what we now call
19 Wallet Send.

20 So I don't know what I mean by "reducing
21 MGI sales."

22 Q. Okay. After XRP-O launched, was there a
23 concern that the XRP-O sales could hurt the market
24 for XRP?

25 A. Yes. We have always, I think as you're

1 well aware, always had the concern that we don't
2 want to impact the market, the XRP markets. And
3 so to the extent we are introducing XRP to the
4 market at a rate higher than we have historically,
5 that would give us reason to pause and think about
6 should we change our plan?

7 Q. In the notes, you say "Supply and demand
8 equation of XRP is too high versus time frame for
9 real demand."

10 Do you see that?

11 A. That looks like my notes from the call
12 with [REDACTED]

13 Q. What does "real demand" mean?

14 A. I don't know.

15 Q. Okay.

16 MR. CERESNEY: Could we have a
17 time check?

18 THE VIDEOGRAPHER: You've got a
19 few minutes. Two, three minutes.

20 MR. TENREIRO: Okay. I'm almost
21 finished.

22 BY MR. TENREIRO:

23 Q. Mr. Garlinghouse -- we can set that
24 aside -- has -- have you ever heard of something
25 called Form D?

1 A. I -- I don't know for sure.

2 Q. Have you ever heard of something called
3 SEC Form D?

4 A. I believe so, yes.

5 Q. Have you ever filed an SEC Form D with
6 respect to any of your sales of XRP?

7 A. Not of which I'm aware.

8 Q. Have you ever filed a Form D with
9 respect to Ripple's sales of XRP?

10 A. Not of which I'm aware.

11 Q. Have you ever taken any steps to
12 determine whether purchasers of your XRP are
13 accredited investors?

14 A. I don't know who the purchasers of my
15 XRP are.

16 Q. Have you ever taken -- is that a no, is
17 the answer to my question?

18 A. I don't know who the purchasers of my
19 XRP are.

20 Q. So have you ever taken any steps to
21 determine whether they are accredited investors?

22 A. I don't know who the purchasers of my
23 XRP are.

24 Q. Okay. Have you ever taken any steps to
25 determine whether the purchasers of Ripple's XRP

1 are accredited investors?

2 A. Yes.

3 Q. What steps?

4 A. Some of Ripple's XRP has been sold to
5 accredited investors.

6 Q. Are you talking about OTC sales?

7 A. Yes.

8 Q. Have you ever taken any steps to
9 determine whether purchasers of Ripple's XRP and
10 programmatic sales are accredited investors?

11 A. I don't know who the purchasers of
12 Ripple's XRP sales are.

13 Q. With respect to Ripple's OTC sales, has
14 Ripple ever filed a Form D with the SEC?

15 A. Not of which I'm aware.

16 Q. Have you ever sold XRP to investors in
17 the United States?

18 A. Have I personally?

19 Q. Yes.

20 A. Not of which I'm aware.

21 Q. Have you ever sold XRP to persons not in
22 the United States?

23 A. I guess I -- I'm aware that GSR has used
24 exchanges around the world. And so I'm aware that
25 people around the world have purchased XRP by way

1 of GSR.

2 Q. Have you ever instructed GSR to restrict
3 the nationality of the people to whom it sells
4 your XRP?

5 A. Yes.

6 Q. How so?

7 A. I instructed them not to sell on U.S.
8 exchanges.

9 Q. When did you give that instruction?

10 A. August or September 2020, I think.

11 Q. But --

12 A. I don't recall exactly.

13 Q. Okay. Before that had you ever
14 instructed GSR not to sell to U.S. persons?

15 A. I don't believe so.

16 Q. And after that instruction, did you
17 instruct GSR -- did GSR sell only on non-U.S.
18 exchanges?

19 A. I believe so.

20 Q. Okay. Did you take any steps to
21 restrict the resale by those purchasers of your
22 XRP to any purchaser in the United States?

23 A. I don't know who the purchasers of my
24 XRP are.

25 Q. Okay. And have you ever given anything

1 of value of your own assets to anyone to do work
2 on behalf of Ripple?

3 A. Could you be more precise?

4 MR. STU ALDEROTY: Could we have
5 a time check, Andrew?

6 MR. CERESNEY: Yeah.

7 MR. SOLOMON: I think we're over
8 and, frankly, I think you're getting into
9 what the judge precluded you from doing
10 with her order on financial records
11 anyway. But if we're done, we're done,
12 because it's now been 16 hours of under
13 oath testimony of Mr. Garlinghouse.

14 Are we done?

15 THE VIDEOGRAPHER: We're over.

16 MR. SOLOMON: Okay.

17 MR. CERESNEY: We're done.

18 MR. TENREIRO: You're going to
19 stop it? You're not going to let him
20 answer that question?

21 MR. SOLOMON: No.

22 MR. ALDEROTY: No.

23 MR. SOLOMON: No, we're done.

24 THE VIDEOGRAPHER: Okay. Do you
25 have any questions or -- you're done?

1 MR. SOLOMON: I'd like to take a
2 couple minutes.

3 THE VIDEOGRAPHER: All right.
4 Going off the record at 7:55.

5 (Whereupon, a recess is taken.)

6 THE VIDEOGRAPHER: Okay. Back on
7 the record, 8:01.

8 MR. SOLOMON: We have no more --
9 we have no questions for Mr. Garlinghouse.

10 THE VIDEOGRAPHER: All right.
11 This concludes the video deposition of
12 Bradley Garlinghouse. The time is 8:01
13 and still going off the record.

14 (Whereupon, the deposition
15 concluded at 8:01 p.m.)
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1 STATE OF NEW YORK)

2) ss:

3 COUNTY OF NEW YORK)

4 I hereby certify that the witness in the
5 foregoing deposition, BRADLEY KENT GARLINGHOUSE, JR.,
6 was by me duly sworn to testify to the truth, the whole
7 truth and nothing but the truth, in the within-entitled
8 cause; that said deposition was taken at the time and
9 place herein named; and that the deposition is a true
10 record of the witness's testimony as reported by me, a
11 duly certified shorthand reporter and a disinterested
12 person, and was thereafter transcribed into typewriting
13 by computer.

14 I further certify that I am not interested in
15 the outcome of the said action, nor connected with nor
16 related to any of the parties in said action, nor to
17 their respective counsel.

18 IN WITNESS WHEREOF, I have hereunto set my
19 hand this 22nd day of September, 2021.

20 Reading and Signing was:

21 ___ requested ___ waived _X_ not requested.
22
23

24 BRIDGET LOMBARDOZZI, CSR, RMR, CRR
25

Transcript Word Index

































